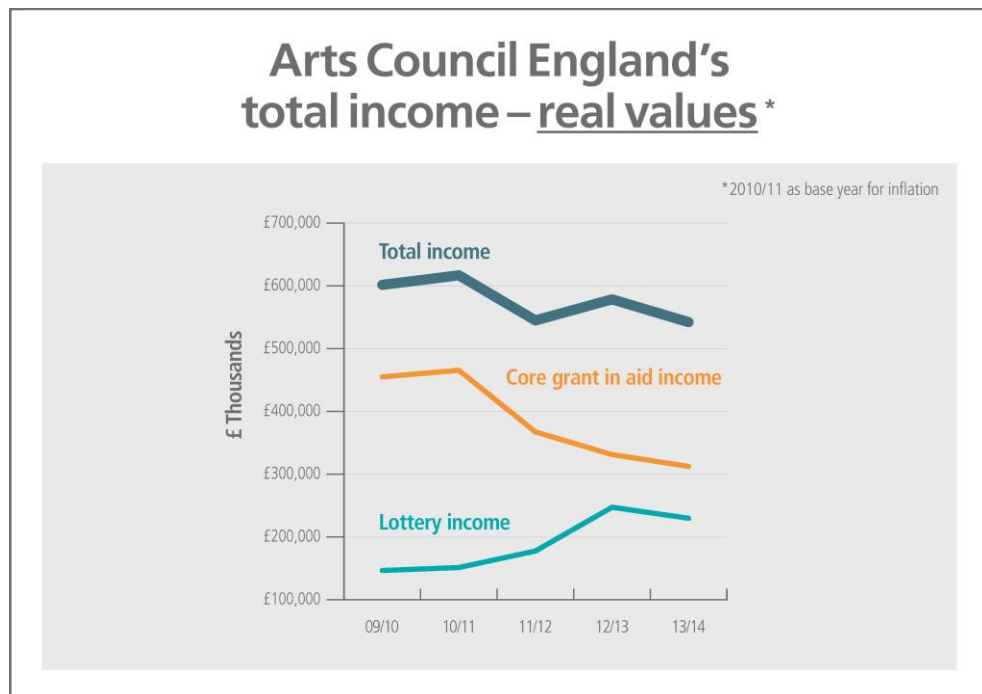


How we've balanced our investment

The National Portfolio is just one part of our investment in delivering our strategy – *Great Art and Culture for Everyone*. For the first time, today's announcement also covers our overall investment plans for Grants for the Arts and our Strategic funds.

The proposed national portfolio

- The context for this new National Portfolio is declining income. In 2010 we invested £350m of Grant in aid into the portfolio. Today- for 2015/16 we have £270m – a larger figure than it could have been after the Chancellor protected culture with a relatively smaller cut of 5% in the last spending review.



- With this reduction in Grant in aid of 36% since 2010, our investment in 670 National Portfolio organisations and 21 Major Partner Museums consolidates a high performing sector, invests in new talent and provides a strong backbone for our arts and culture.

- Thanks to a sector that has responded with creative boldness in its programming and in driving commercial revenue we can publish today a portfolio we can be proud of.
- The level of funding for National Portfolio organisations and Major Partner Museums assumes standstill funding from Government in 16/17 and 17/18 for later years.
- The following tables give more detail about the profile of the new portfolio including levels of funding for organisations, funding by artform, details on joiners and the museum portfolio.
- 58 organisations will be leaving the portfolio. Undoubtedly this will have an impact on the organisations concerned and we intend to talk to them about next steps before we release any details about them more widely.

National Portfolio

Proposed portfolio for 2015-18

Status	#	£	% orgs	% £
Uplift to current (based on 14/15 grant)	87	190,717,723	9.9%	18.7%
Reduction to current (based on 14/15 grant)	37	305,972,044	4.2%	30.0%
Joiner	46	22,257,009	5.2%	2.2%
Same Level	500	499,650,698	57.0%	49.1%
Leaver	58	-	6.6%	0.0%
Unsuccessful applicants	149	-	17.0%	0.0%
Total	877	1,018,597,474	100	100

Artform by value of grants

Artform	Current (12/15) £	Proposed (15/18) £	£ Change	% Change to Artform £
Combined arts	176,405,555	180,630,569	4,225,014	2.4%
Dance	107,901,698	118,066,236	10,164,538	9.4%
Literature	20,217,935	19,940,803	-277,133	-1.4%
Music	289,095,026	276,794,897	-12,300,129	-4.3%
Not artform specific	7,988,714	8,259,074	270,361	3.4%
Theatre	298,226,041	296,952,467	-1,273,574	-0.4%
Visual Arts	121,108,604	117,953,428	-3,155,176	-2.6%
Total	1,020,943,573	1,018,597,474	-2,346,098	-0.23%

For more detail on the artforms please go to our website- full narratives have been uploaded today.

NPOs joining the portfolio

Organisation	Area	Recommended 15/16 funding amount
Brownswood Music	London	89,000
Camden People's Theatre	London	70,000
Counterpoint Arts Limited	London	80,000
Create	London	150,000
Design Museum Ltd	London	170,000
ILUVLIVE	London	103,856
Intoart	London	92,798
Jazz re:refreshed Limited	London	95,795
National Youth Jazz Orchestra	London	125,000
OTOProjects	London	74,933
Peckham Space	London	50,000
Penned in the Margins	London	45,000
Pop Up Projects CIC	London	85,203
Sunshine International Arts	London	75,000
The Koestler Trust	London	75,000
William Morris Gallery	London	60,000
Baby People Ltd	Midlands	48,418
BE FESTIVAL	Midlands	145,000
East Lindsey District Council	Midlands	150,000
University of Derby Theatre Ltd	Midlands	500,000
Abandon Normal Devices Ltd.	North	135,000
Castlefield Gallery	North	70,000
Chol Theatre	North	75,000
Dance United Yorkshire	North	90,000
Jazz North Limited	North	190,000
NewcastleGateshead Initiative	North	100,000
Third Angel	North	120,000
Tyne & Wear Archives & Museums	North	500,000
Wired Aerial Theatre	North	165,000
And Other Stories	South East	40,000
Corn Exchange (Newbury) Trust	South East	235,000
Creative Arts East	South East	150,000
Gulbenkian Theatre	South	220,000

	East	
New Adventures & Re:Bourne	South East	1,294,000
Seachange Arts	South East	300,000
Acta Community Theatre Ltd	South West	80,000
Black Bird/Red Rose Productions	South West	200,000
Bournemouth Borough Council	South West	150,000
Bristol Music Trust	South West	325,000
Exeter Northcott Theatre Company Ltd	South West	125,000
Kaleider	South West	110,000
MAYK Theatre Ltd	South West	90,000
Situations	South West	85,000
Tangle	South West	85,000
The Bike Shed Theatre	South West	75,000
The Point	South West	125,000
	TOTAL	7,419,003

Major Partner Museums

MPMs joining the portfolio

Organisation	Area	Recommended 15/16 funding amount
Black Country Living Museum	Midlands	886,000
Derby Museums	Midlands	854,066
Hull City Council	North	841,409
Museums Sheffield	North	600,000
Penlee House Gallery and Museum	South West	500,000
	TOTAL	3,681,475

MPM proposed portfolio 2015-18

Status	#	£	% orgs	% £
Uplift to current (based on 14/15)	0	-	0%	0%
Reduction to current (based on 14/15)	16	56,817,480	62%	84%
Joiner	5	11,044,425	19%	16%
Same Level	0	-	0%	0%
Leaver	0	-	0%	0%
Unsuccessful applicant	5	-	19%	0%
Total	26	67,861,905		

The reach of our investment

- The companies who will join the portfolio have committed to extend audiences, to educational outreach and to ensure their work and their workforces are diverse.
- This is a commitment by every organisation to everyone in England, whatever their class, colour or background.
- We will hold them to that commitment by monitoring and reporting on their reach.
- There is an overall shift in National portfolio spending. In 2008 this was 51% to London and 49% outside the capital. In 2015/16 this will be 47% in London and 53% outside.
- In terms of our overall investment for the next three years, we want to build on the current trend of 60% of Grant in aid and 70% of National Lottery investment outside London.
- Whilst there is a major challenge to build capacity and investment in certain parts of the country, we do not believe this should be at the expense of London or indeed our significant investments in other major metropolitan centres which are beacons of excellence and attract visitors from home and abroad.
- National Portfolio organisations and Major Partner Museums reach across England and will play a part in the national ecology; extending way beyond their postcode and taking on national responsibilities as part of their funding agreements with us.

- For museums, this includes the For Cornwall Museums Partnership- an example of consortium working, with six leading museums in Cornwall coming together for the first time and in the arts portfolio organisations such as the Royal Shakespeare Company and the National Theatre will continue to roll out national education and outreach programmes across the country.
- Building capacity and production are the biggest challenges in places with low investment in culture. We will weight our strategic funds towards tackling this challenge with a new £15m production fund to ensure that ambition and talent outside London continues to thrive, and further investment in Creative People and Places- a fund to that use radical new approaches to developing excellent, inspiring and sustainable arts experiences for communities not currently engaging with the arts.
- The increase in budget for Grants for the Arts to £70m will broaden the reach of Arts Council funding to support smaller organisations and individual artists across England.
- This represents a vigorous approach to ensuring we can meet the aim in the heart of our strategy of ensuring everyone has an opportunity to be inspired by the arts, museums and libraries.

Grants for the Arts- analysis by area of total awards made in 2012/13 and 2013/14

	Awards made		Awards made	
	Number	%	£'000	%
London	1,762	28.9%	36,381	27.9%
Midlands	750	12.3%	17,393	13.3%
North	1,596	26.1%	32,131	24.6%
South East	1,193	19.5%	25,617	19.6%
South West	753	12.3%	17,707	13.6%
Outside England	52	0.9%	1,160	0.9%
Total	6,106	100%	130, 389	100%

- The following tables give further details on the distribution of our investment in terms of diversity, across the Arts Councils' geographic areas and across artform.

Area by value of grants (%)

Area	Current %	Proposed %	Change to Area %
London	48.8%	47.3%	-1.5%
South East	8.5%	9.0%	0.5%
South West	5.6%	5.9%	0.3%

Midlands	16.7%	17.1%	0.3%
North	20.4%	20.8%	0.3%
Total	100%	100%	

National Portfolio- area by value of grants (numbers)

Area	Current (12/15) £	Proposed (15/18) £	£ Change	% Change to Area £
London	498,259,817	481,851,502	-16,408,315	-3.3%
South East	86,438,518	91,470,157	5,031,639	5.8%
South West	56,763,104	59,865,339	3,102,235	5.5%
Midlands	170,957,444	173,946,051	2,988,607	1.7%
North	208,524,690	211,464,426	2,939,736	1.4%
Total	1,020,943,573	1,018,597,474	-2,346,098	-0.23%

National Portfolio- area by numbers of organisations (numbers)

Area	Current (12/15)	Proposed (15/18)	Change	% Change to Area numbers
London	256	245	-11	-4.3%
South East	68	70	2	2.9%
South West	80	82	2	2.5%
Midlands	92	87	-5	-5.4%
North	207	186	-21	-10.1%
Total	703	670	-33	-4.69%

MPM Area by numbers of organisations (numbers)

Area	Current	Proposed	Change	% Change to Area Numbers
London	2	2	0	0%
South East	4	4	0	0%
South West	2	3	1	50%
Midlands	2	4	2	100%
North	6	8	2	33%
Total	16	21	5	31%

MPM Area by value of grants (numbers)

Area	Current 12 / 15 £	Proposed 15/18 £	£ Change	% Change to Area £
London	6,942,558	6,140,034	-802,524	-12%
South East	15,639,840	14,440,107	-1,199,733	-8%
South West	8,478,280	9,324,120	845,840	10%
Midlands	7,382,793	10,451,394	3,068,601	42%
North	23,903,888	27,596,013	3,692,125	15%
Total	62,347,358	67,951,668	5,604,310	9%

Diversity:

The Arts Council defines a diverse led organisation where that organisation self-defines as such, and where more than 50 per cent of the organisation's board and senior management are diverse. We are sticking to historic definitions at the moment but this does not capture the growing number of organisations led by diverse cultural leaders. We will work on how to reflect that in the future.

Although it is still important to have art and culture from specific types of organisations, we are shifting away from this approach to one where diversity becomes everyone's responsibility. The Creative Case looks at diversity and equality within the arts and takes a creative approach to addressing barriers to creativity, participation, learning and involvement around race, disability and gender equality, instead of simply viewing it as a legal requirement. For the first time we will be asking organisations to report back on progress and we will publish updates.

We believe that our national diversity is one of our great resources and we expect the work that we fund will reflect this. The following ratings are provisional and will be revisited when we receive the detailed programme plans that will form part of each NPO funding agreement.

Creative Case Rating of proposed National Portfolio Organisations

Rating	Number	%
Weak	34	5.1%
Met	103	15.4%
Good	280	41.8%
Strong	253	37.8%
Total	670	100%

11% of diverse organisations will receive an uplift in this current portfolio.

Diversity Led by numbers of organisations (numbers)

Diverse Led	Current (14/15)	Proposed (15/16)	Change	Change to Led %
BME Led	57	51	-6	-10.5%
Disability Led	13	9	-4	-30.8%
Total	70	60	-10	-14.3%

Diversity Led by value of grants (numbers)

Diverse Led	Current (12/15) £	Proposed (15/18) £	£ Change	% Change to Led £
BME Led	29,942,145	28,250,199	-1,691,946	-5.65%
Disability Led	5,072,530	4,315,411	-757,119	-14.93%
Total	35,014,675	32,565,610	-2,449,065	-6.99%

How we've made ends meet

- With some assistance from lottery income and with a better than expected spending review settlement from the Chancellor we have been able to protect our national portfolio with only an 0.23 percent cut overall when comparing 2012-15 to 2015-18
- This is not without significant cost to other parts of our investment. Our strategic funds budget – which we use to invest in opportunities and respond to challenges– is cut significantly from £153m in 2014/15 to £104m in 2015/16
- Because strategic funds are vital to help us with reach we have therefore refocused them to address challenges such as building capacity within the sector around diversity, investing in talent and building production capacity outside London.
- Other strategic funds have taken the weight of cuts including for example our capital pot which is cut by £33m a year and our Catalyst programme where there will no longer be money to match fund endowments for large organisations although work with smaller companies will continue.
- We hope levels of Government support will be maintained. In addition we need Local Authorities to maintain their partnership with us, recognising the vital role culture plays locally in communities and economic regeneration.

Lottery in the National Portfolio

National Lottery money has been used to fund touring and activity with children and young people within the National portfolio since 2012.

Based on this precedent 99 National portfolio organisations will be funded wholly through Lottery in 2015-18; those focusing on touring (more than 50%) or specific types of organisations working with children and young people.

Using National Lottery money will allow an additional number of organisations to join the portfolio. For some organisations this will be the first time that their total grant will be wholly comprised of Lottery funding.

Strategic funds:

A range of strategic funds will support our five goals as described in our 10 year strategic framework, *Great art and culture for everyone*. Some of the strands of this funding programme include those outlined below.

- Ambition and talent outside London- a £15m project to ensure that organisations can retain talent and build production capacity outside London
- Exceptional awards will continue to run with a proposed budget of £8m to this fund for 2015-18.
- Strategic touring- designed to encourage collaboration between organisations, so that more people across England experience and are inspired by the arts, particularly in places which rely on touring for much of their arts provision. We are proposing to allocate £23m to this fund for 2015-18.
- Creative People and Places- a further £25m to be allocated- maintaining at the current level for the next two years- to target long-term benefits, to currently funded applicants to support their 10 year visions; investment in areas with low engagement and a focus on older people and the arts
- Catalyst and fundraising- future funds will be used to support match fund and capacity building programmes, targeted at small and midscale organisations outside of central London. We are proposing to allocate £26m to this fund for 2015-18.
- Resilience and leadership- we are proposing to allocate £14.4m to resilience and leadership funding in the period 2015-18. This will encompass a number of initiatives, including work with Local Enterprise Partnerships, cultural tourism partners, creative industries and social investment models
- Children and young people will be more of a focus than ever, with more organisations than before we will see a significant increase in the support our ambition to ensure that every child and young person has the opportunity to experience the richness of arts, museums and libraries.

- Diversity- a £6m fund will focus on artistic excellence, increasing resilience and diversifying audiences, the workforce and the leadership of the arts sector to reflect the diversity of contemporary England.

More information on all our Strategic funds is available on our website.

Capital:

Large awards for Round 3 have been successfully applied for by the following organisations. They will now be invited to complete a second stage application

Organisation	Area	Amount
Alternative Theatre Company	London	£2,500,000
Battersea Arts Centre	London	£4,690,000
Design Museum Ltd	London	£3,000,000
Wayne McGregor Random Dance	London	£988,154
The Theatre Royal and Royal Concert Hall, (Nottingham City Council)	Midlands	£1,608,047
The Drum (The Newtown Cultural Project Limited)	Midlands	£2,724,335
Royal Shakespeare Company	Midlands	£3,000,000
The University of Warwick	Midlands	£4,000,000
The Lowry Centre Trust	North	£3,000,000
Site Gallery	North	£970,000
Yorkshire Sculpture Park	North	£1,700,000
Theatre Hullabaloo	North	£1,500,000
Cheshire West and Chester Council	North	£3,000,000
Islington Mill	North	£998,000
The Met	North	£3,045,400
Kirkgate Centre Trust	North	£850,000
Contact Theatre	North	£3,851,128
Kettle's Yard Gallery	South East	£3,650,000
Jasmin Vardimon Dance Company	South East	£3,007,742
Modern Art Oxford	South East	£3,500,000
The Hall for Cornwall Trust	South West	£5,000,000
St George's Bristol	South West	£1,950,000
Teignbridge District Council	South West	£750,000

Small awards for Round 2 have been allocated to:

Organisation	Area	Amount
London Sinfonietta	London	£102,004
Discover Children's Story Centre	London	£350,000
Redbridge Drama Centre	London	£192,036
Raw Material Music & Media	London	£197,175
Soho Theatre Company	London	£285,795
Stratford Circus Ltd	London	£321,805
PM Gallery & House	London	£492,457
The Albany	London	£437,175
Siobhan Davies Dance Company	London	£158,308
Camden Arts Centre	London	£149,236
Stoke-On-Trent and North Staffordshire	Midlands	£495,000

Theatre Trust Limited		
Leicester Print Workshop Studios and Resource	Midlands	£300,000
Dance 4 Limited	Midlands	£499,642
Compton Verney	Midlands	£123,412
Walsall Metropolitan Borough Council	Midlands	£487,500
National Centre For Early Music	North	£133,395
Mind The Gap	North	£120,000
Baltic Centre For Contemporary Arts	North	£179,336
20-21 Visual Arts Centre	North	£489,988
IOU Theatre	North	£184,917
Barnsley Civic Enterprise Ltd	North	£109,164
Stephen Joseph Theatre	North	£275,000
Seven Stories	North	£499,000
Northern Gallery For Contemporary Art	North	£100,000
Northern Print Studio Ltd	North	£147,699
ARC, Stockton Arts Centre	North	£132,987
Slung Low	North	£100,816
Great Georges Community Cultural Project Ltd	North	£450,000
Horse And Bamboo Theatre Company	North	£166,746
Hull Truck Theatre	North	£130,750
Watermill Theatre	South East	£499,996
Oxford Playhouse	South East	£486,284
De La Warr Pavilion	South East	£412,343
Glyndebourne Touring Opera and Glyndebourne Education	South East	£220,000
Canterbury Festival	South East	£255,110
South Hill Park Arts Centre	South East	£379,006
St Edmunds Arts Trust Ltd	South West	£195,000
Acta Community Theatre Ltd	South West	£490,000
Roses Theatre Trust	South West	£250,000
The Point	South West	£367,187
Nuffield Theatre	South West	£180,000
PREMA	South West	£216,146

- Details of the next Capital programme will follow later in the year